AGRICULTURAL IMPLEMENTS BOARD

FINANCIAL STATEMENTS

For the Year Ended March 31, 1999

SASKATCHEWAN

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the balance sheet of the Agricultural Implements Board as at March 31, 1999 and the statements of revenue, expenditure and reserve fund, and cash flows for the year then ended. The Board's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 1999 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Wayne Strelioff

Regina, Saskatchewan
July 20, 1999

Wayne Strelioff, CA
Provincial Auditor

Statement 1

AGRICULTURAL IMPLEMENTS BOARD
BALANCE SHEET
As at March 31

	1999	1998
ASSETS		
Due from General Revenue Fund (Note 3)	$ 126,501	$ 132,058
Assessment levies receivable	---	5,960
Accrued interest receivable	1,596	1,533
	$ 128,097	$ 139,551
LIABILITIES AND FUND BALANCE		
Accounts payable	$ ---	$ 6,318
Reserve Fund (Statement 2)	128,097	133,233
	$ 128,097	$ 139,551

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF REVENUE, EXPENDITURE AND RESERVE FUND
Year Ended March 31

	1999	1998
Revenue:		
Assessment levies	$ 2,825	$ 8,735
Interest income	6,678	4,929
	9,503	13,664
Expenditure:		
Compensation payments	6,449	6,318
Investigations and hearings	3,588	802
Provision for doubtful accounts	4,602	---
	14,639	7,120
Net (loss) revenue	(5,136)	6,544
Reserve Fund, beginning of year	133,233	126,689
Reserve Fund, end of year - to Statement 1	$ 128,097	$ 133,233

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF CASH FLOWS
Year Ended March 31

	1999	1998
Operating activities:		
Net (loss) revenue	$ (5,136)	$ 6,544
Changes in non-cash working capital:		
Decrease (increase) in accounts receivable	5,897	(6,518)
(Decrease) increase in accounts payable	(6,318)	4,513
	(421)	(2,005)
(Decrease) increase in cash position during the year	(5,557)	4,539
Due from General Revenue Fund, beginning of year	132,058	127,519
Due from General Revenue Fund, end of year	$ 126,501	$ 132,058

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
NOTES TO THE FINANCIAL STATEMENTS
March 31, 1999

1. Significant Accounting Policies

These financial statements are prepared in accordance with generally accepted accounting principles. The following accounting policies are considered significant.

a) Accrual Basis

The financial statements are prepared on the accrual basis of accounting.

b) Accounts Receivable/Accounts Payable

The amount due from the General Revenue Fund is interest bearing as described in Note 3. The carrying value approximates fair value.

The carrying value of other accounts receivable and accounts payable approximates fair value.

2. Authority

The Agricultural Implements Board is continued under *The Agricultural Implements Act*. Under this Act, a fund known as the Agricultural Implements Compensation Fund, through which all transactions reflected in these statements are conducted, is continued:

a) to pay compensation to farmers;

b) to defray the expenses of investigating and hearing claims for compensation under this Act; and

c) to maintain a reserve fund to pay compensation that may become payable in the future.

3. Due from General Revenue Fund

The Agricultural Implements Board's bank account is included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan.

Earned interest is calculated and paid by the General Revenue Fund on a quarterly basis using the Government's thirty-day borrowing rate (1999 average rate – 5.04%; 1998 average rate – 3.77%) and the Agricultural Implements Board's average daily bank account balance.

4. Costs Borne by Related Parties

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Board by virtue of common control by the Government of Saskatchewan.

The investigation and hearing expenditures of $3,588 were conducted by the Department of Justice.

Salary and administration costs other than those in respect of investigations and hearings have been absorbed by various departmental appropriations and are therefore not reflected in these financial statements.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements and the notes hereto.